

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

<p>In re:</p> <p>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</p> <p>as representative of</p> <p>THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i></p> <p>Debtors.¹</p>	<p>PROMESA Title III</p> <p>Case No. 17 BK 3283-LTS</p> <p>(Jointly Administered)</p>
<p>In re:</p> <p>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</p> <p>as representative of</p> <p>PUERTO RICO ELECTRIC POWER AUTHORITY,</p> <p>Debtor.</p>	<p>PROMESA Title III</p> <p>Case No. 17 BK 4780-LTS</p> <p>Re: ECF Nos. 549, 722.</p> <p>Urgent Application Relates Only to PREPA and Shall Only Be Filed in Case No. 17 BK 4780-LTS</p>
<p>The Financial Oversight and Management Board for Puerto Rico,</p> <p>as representative of</p> <p>Puerto Rico Electric Power Authority,</p> <p>Movant,</p>	

¹ The Debtors in the jointly-administered Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

v.

WHITEFISH ENERGY HOLDINGS, LLC, *et al.*²

Respondents,

[Caption continued on next page]

² The Respondents include: Arc American, Inc., the Ad Hoc Group of General Obligation Bondholders, U.S. Bank National Association in its Capacity as PREPA Bond Trustee, the Ad Hoc Group of PREPA Bondholders, Whitefish Energy Holdings, LLC, Scotiabank de Puerto Rico, Solus Alternative Asset Management LP, National Public Finance Guarantee Corporation, Ambac Assurance Corporation, Assured Guaranty Corp., Assured Guaranty Municipal Corp., Syncora Guarantee Inc., the Official Committee of Unsecured Creditors, Siemens Transportation Partnership Puerto Rico, S.E, and Knighthead Capital Management, LLC (collectively, the “Respondents”).

**URGENT MOTION
OF OVERSIGHT BOARD AND AAFAF TO SCHEDULE RESOLUTION OF
OVERSIGHT BOARD AND AAFAF’S URGENT APPLICATION AND NOTICE OF
REVISED PROPOSED \$300 MILLION LOAN FROM COMMONWEALTH TO PREPA**

To the Honorable United States District Court Judge Laura Taylor Swain:

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as representative of the Puerto Rico Electric Power Authority (“PREPA”) in this Title III case pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),³ and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF,” and, together with the Oversight Board, the “Movants”) respectfully submit this urgent motion (the “Scheduling Motion”) seeking entry of an order scheduling the resolution of the *Oversight Board and AAFAF’s Urgent Application and Notice of Revised Proposed \$300 Million Loan From Commonwealth to PREPA* [ECF No. 772] (the “Urgent Joint Application”).⁴

The Movants respectfully aver as follows:

Procedural Background

1. On February 15, 2018, this Court issued its oral ruling that for reasons explained on the record, it would not grant the *Urgent Joint Motion of the Financial Oversight and Management Board for Puerto Rico and the Puerto Rico Fiscal Agency and Financial Advisory Authority for Entry of Interim and Final Orders (a) Authorizing Postpetition Secured Financing, (b) Granting Priming Liens and Providing Superpriority Administrative Expense Claims, (c) Modifying the Automatic Stay, (d) Scheduling a Final Hearing, and (e) Granting Related Relief* (the “Postpetition Financing Motion”) [ECF No. 549]. The Court, however, determined not to

³ PROMESA is codified at 48 U.S.C. §§ 2101-2241.

⁴ Capitalized terms used but not otherwise defined herein shall have the same meaning given to them in the Urgent Joint Application.

issue a final order in respect of the Postpetition Financing Motion, but to enable Movants to submit on short notice a revised, proposed financing on terms the Court observed it might favorably entertain under 11 U.S.C. § 364(c) for a \$300 million unsecured, superpriority loan, which may be followed up subsequently with a larger loan, which may be collateralized if certain showings are made.

2. Because of the emergency confronting Puerto Rico with the commencement of the ramping down of PREPA's power generation, on February 16, 2018 at 4:17 a.m., Movants filed their Urgent Joint Application, seeking entry of a revised proposed order (the "Revised Proposed Financing Order") approving a \$300 million credit facility and granting the lender a superpriority administrative expense claim (the "Revised Financing") in accordance with a revised credit agreement (the "Revised Credit Agreement"). Both the Revised Financing Order and Revised Credit Agreement were attached as exhibits to the Urgent Joint Application.

3. In compliance with the Court's directive at the February 15, 2018 hearing, Movants consulted with creditors regarding the financing and a briefing schedule. Movants had a call with the Respondents at 11 a.m. (EST) Friday February 16, 2018. During the call, Movants and Respondents discussed comments to the Revised Proposed Financing Order and Revised Credit Agreement and resolved some, but not all Respondents' concerns. Movants also discussed with Respondents the schedule by which Respondents will provide additional comments on the Revised Proposed Financing Order, and methods of presenting unresolved issues that will allow the Court to enter an order on the Revised Financing by no later than Tuesday February 20, 2018, preferably in the morning. The parties did not agree to any one proposed schedule, except for an agreement that Movants would take creditors' comments

received by 3 p.m. this afternoon and file a revised proposed financing order and credit agreement (the “Revised Financing Documents”) prior to Saturday February 17, 2018.

Relief Requested

4. In light of the exigency of PREPA’s liquidity situation, Movants request the Court set the following schedule and procedure to resolve their Urgent Joint Application:

- a. **Saturday, February 17, 2018, by 6 p.m. (EST):** Parties must file any responses or objections (“Objections”) to the Revised Financing Documents;
- b. **Sunday, February 18, 2018, by 2 p.m. (EST):** Movants and any other party must file any replies to the Objections.
- c. **Determination on Submissions:** Movants request the Court to resolve the Urgent Joint Application on the submissions, without further hearing, unless one or more parties request a hearing and the Court determines it is necessary.
- a. **Potential Hearing Date:** If the Court determines to hold a hearing on the submissions, Movants request the hearing be scheduled for **Tuesday February 20, 2018 at 9:30 a.m. (Eastern Standard Time) (10:30 a.m. Atlantic Standard Time)** in Courtroom 17C of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan Courthouse, 500 Pearl Street, New York, NY 10007 and by video teleconference in a Courtroom to be determined at the United States District Court for the District of Puerto Rico, 150 Carlos Chardón Street, Federal Building, San Juan, Puerto Rico 00918-1767.

5. A proposed order granting this Scheduling Motion is attached hereto as **Exhibit A.**

Certification in Compliance with the Case Management Procedures and Local Rule 9013-1

6. Pursuant to Local Rule 9013-1 and section I.H of the Case Management Procedures, Movants hereby certify that they have (a) carefully examined the matter and concluded that there is a true need for urgent relief; (b) not created the urgency through any lack of due diligence; (c) made a bona fide effort to resolve the matter without a hearing; and (d) made reasonable, good-faith communications in an effort to resolve or narrow the issues being brought to the Court.

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WHEREFORE Movants respectfully request the Court to grant the Scheduling Motion and grant Movants such other and further relief as is just.

Dated: February 16, 2018
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock

Martin J. Bienenstock (*pro hac vice*)
Paul V. Possinger (*pro hac vice*)
Ehud Barak (*pro hac vice*)
Maja Zerjal (*pro hac vice*)
PROSKAUER ROSE LLP
Eleven Times Square
New York, NY 10036
Tel: (212) 969-3000
Fax: (212) 969-2900

*Attorneys for the Financial Oversight and
Management Board as Representative for
PREPA*

/s/ Hermann D. Bauer

Hermann D. Bauer
USDC No. 215205
O'NEILL & BORGES LLC
250 Muñoz Rivera Ave., Suite 800
San Juan, PR 00918-1813
Tel: (787) 764-8181
Fax: (787) 753-8944

*Co-Attorneys for the Financial Oversight and
Management Board as Representative for
PREPA*

THE PUERTO RICO FISCAL AGENCY
AND FINANCIAL ADVISORY
AUTHORITY, as fiscal agent for PREPA

By its attorneys,
/s/ Nancy A. Mitchell

Nancy A. Mitchell (*pro hac vice*)
Greenberg Traurig LLP
200 Park Avenue

New York, NY 10166
Tel: (212) 801-9200
Fax: (212) 801-6400

David D. Cleary
Kevin D. Finger
Greenberg Traurig LLP
77 West Wacker Drive
Suite 1300
Chicago, IL 60601
Tel: (312) 456-8400
Fax: (312) 456-8435